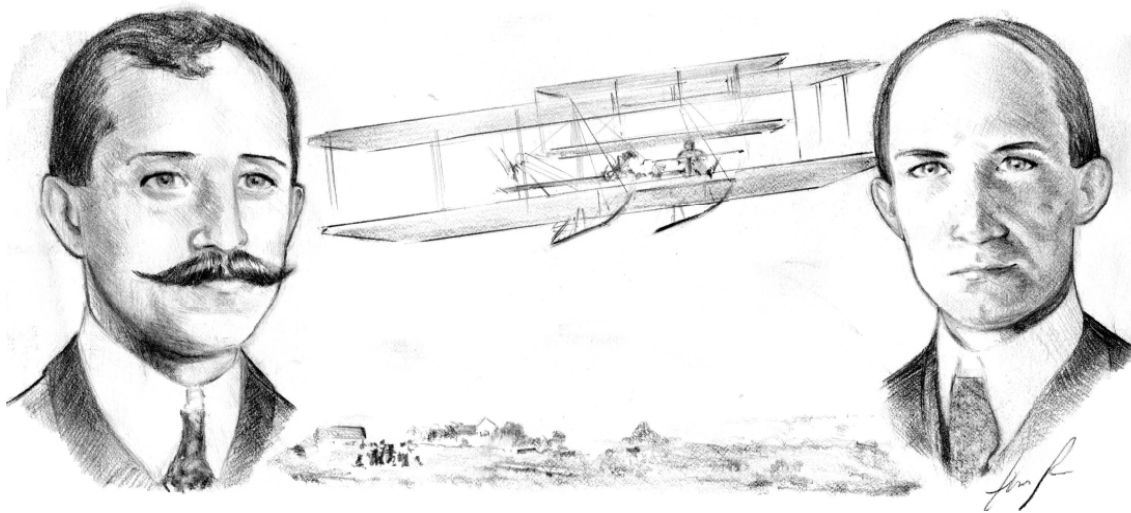


# *Wright-Patterson AFB, Ohio*

## *Economic Impact Analysis*



Wilbur and Orville Wright, illustration by Tech Sgt. Joseph Parham



C-5 Galaxy , Graphic by Bob Goode, AFNEWS/NSPD

*30 September 2005*

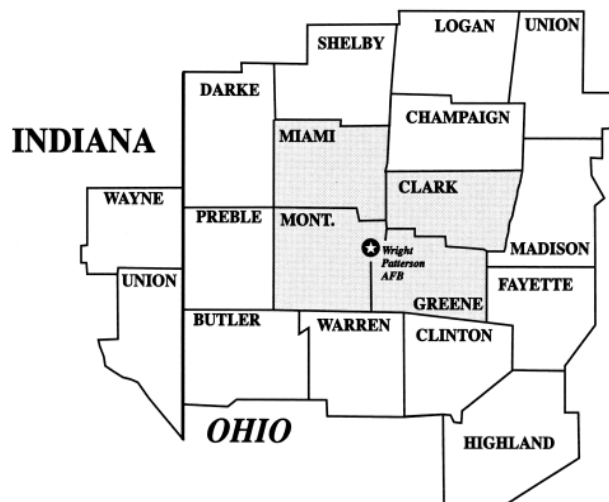
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## ***PREFACE***

This document was formerly called the Economic Resource Impact Statement (ERIS). In August 1995, the Secretary of the Air Force for Financial Management specified a new methodology for computing a military installation's economic impact and changed the name of the document from the ERIS to the Economic Impact Analysis (EIA). The change makes Air Force EIA estimates consistent with the Office of the Secretary of Defense (OSD) Base Realignment and Closure (BRAC) Commission methodology. The biggest difference between the former ERIS and the EIA is in the definition of an installation's economic area. Wright-Patterson's economic area was formerly referred to as the Economic Impact Region, a 50-mile commuting radius from the base including the 18 counties shown on the map below. Until June 2003, Wright-Patterson's current economic area was referred to as the Dayton-Springfield, OH Metropolitan Statistical Area (MSA) and included the highlighted counties of Clark, Greene, Miami and Montgomery. Based upon 2000 census results, the MSA was modified: Clark County was eliminated and Preble County was added and the MSA re-titled "Dayton". It should be noted that in previous fiscal years, approximately 95 to 97 percent of the base employees resided in just this 4-county area and approximately 95 to 97 percent of the base payroll was distributed there as well. In FY 05 92% of base employees resided in the Dayton-Springfield MSA and only 86% in the Dayton MSA. The US Census web page contains the following caveat regarding changes in definitions over time of MSAs. "Because of these historical changes in geographic definitions, users must be cautious in comparing data for these statistical areas from different dates. For some purposes, comparisons of data for areas as defined at given dates may be appropriate; for other purposes, it may be preferable to maintain consistent area definitions." We determined this caveat appropriate and prepared the FY05 EIA based on the historical designated Dayton-Springfield MSA. The 88<sup>th</sup> ABW/FMAI office conducted a statistical analysis to determine the impacts of preparing the EIA according to the updated MSA Dayton designation. It was determined to continue with the Dayton-Springfield MSA for FY 05 and forward. Also, for FY 05 we started including contractor personnel data in the personnel and payroll dollars for Wright-Patterson AFB. We believe the amounts included in this year's report is only a small portion of the number of contractors supporting Wright-Patterson, we will continue to determine the best way to capture this data for future reporting.

### **ECONOMIC AREA FOR WRIGHT-PATTERSON AFB, OHIO**



The information in this document was gathered from various organizations at Wright-Patterson Air Force Base, other Air Force agencies, Department of Defense agencies, other federal agencies and private sector sources. The EIA provides the reader with an encapsulated view of one of the largest Air Force bases in the world. It was prepared by the Installation and Support Mission Branch of the 88th Air Base Wing, Financial Management Directorate, Wright-Patterson Air Force Base, Ohio, using 30 September 2005 data. Questions or comments concerning the statistics or data contained in this pamphlet may be addressed to Mr. Cornell "Moe" Kincaid, 88 ABW/FMAI, 1940 Allbrook Drive, Room 106, Wright-Patterson AFB, OH 45433-5209, commercial telephone (937) 257-7254 or DSN 787-7254.

## ***WRIGHT-PATTERSON'S HERITAGE***

Wright-Patterson Air Force Base near Dayton, Ohio, traces its origin directly from the Wright brothers' pioneering flights in 1904 and 1905 at the Huffman Prairie Flying Field located in the middle of the installation. Its past, present and future are all inextricably linked with the Wright brothers' legacy. Dayton was the Wright brothers' home and Daytonians consider their city the "Birthplace of Aviation." The Wrights' early years, their bicycle shops, their printing business, and their early aviation efforts are evident throughout the greater Dayton area. Just off the end of Wright-Patterson's active runway, a replica of the Wright brothers' 1905 hangar overlooks the Huffman Prairie Flying Field. Here they established their first flying field, developed the first practical airplane, and, in their own words, "really learned to fly." The Flying Field has been designated a National Historic Landmark and is part of the Dayton Aviation Heritage National Historical Park.

The installation itself has been a leader in military aviation since World War I. Aviation research and development began to flourish at Wright-Patterson when the U.S. entered World War I. Wilbur Wright Field was established in the summer of 1917 as a pilot training school at the site of Wright-Patterson's present flight line. In the fall of 1917, McCook Field was established as an Air Service engineering center. McCook Field was located near downtown Dayton at what is now the intersection of State Route 4 and Interstate 75. In 1927, a new aerodrome and research complex were constructed on land donated by the citizens of Dayton to replace the overcrowded McCook Field. Named Wright Field in honor of both brothers, it is now part of Area B.

Wright-Patterson's logistics heritage also dates from World War I. The Fairfield Aviation General Supply Depot was established in 1917 adjacent to Wilbur Wright Field. The Fairfield Air Depot, as it became known, was a major Army Air Corps depot through the end of World War II. In 1931, the area encompassing the Fairfield Air Depot, Wilbur Wright Field, and the Huffman Prairie Flying Field, was renamed Patterson Field in honor of Lt. Frank Stuart Patterson who died in 1918 when his DH-4 crashed on the airfield during a flight test.

In 1948, Wright and Patterson Fields merged to create Wright-Patterson Air Force Base. The 88th Air Base Wing has been the host organization most of the period since the merger. It also provides base operating support for the installation.

Wright-Patterson is one of the largest, most diverse, and organizationally complex bases in the Air Force. Its missions range from acquisition and logistics management, to research and development, education, flight operations, and an assortment of other defense and non-defense activities. Wright-Patterson is home to the Air Force Materiel Command, the Aeronautical Systems Center, the Air Force Research Laboratory, the Air Force Security Assistance Center, the Air Force Institute of Technology, the National Air and Space Intelligence Center, the National Museum of the United States Air Force, the 445th Airlift Wing (AFRC), a regional Department of Defense medical center, and numerous other Air Force, Department of Defense, and government agencies.

Today, as in the first century of flight, the nation's aeronautical weapon systems are conceived, tested, modified, and acquired at Wright-Patterson AFB. The installation's legendary heritage spurs modern aerospace scientists and logisticians in their quest to keep man flying higher, faster, farther, and safer than ever before. The installation also serves as an aerial port of embarkation and plays a continuing role in the War on Terrorism, to include Operations Enduring Freedom, Noble Eagle, and Iraqi Freedom.

The excellent community spirit and cooperation of the installation and its personnel is another hallmark of Wright-Patterson's heritage. Base personnel contribute hundreds of volunteer hours to community projects. They support the annual Vectren Dayton Air Show, offer special events at the National Museum of the United States Air Force, host the Air Force Marathon, conduct education outreach programs, and work with the Dayton Aviation Heritage National Historical Park to enhance the Miami Valley's legacy as the Birthplace of Aviation.

The creativity and professionalism of base employees combined with the vitality of the Miami Valley's citizens continue to make Wright-Patterson Air Force Base the birthplace, home, and future of aerospace.

# CAPITAL ASSETS

(As of: 30 September 2005)

BUILDING CATEGORY		SQUARE FEET
Housing (Includes detached garages and storage buildings)		859,901
Community (Includes commissary, BX, BAQ, VAQ/VOQ, and recreation)		2,506,619
Research and Development		4,913,533
Hospital		825,533
All Other Buildings (Includes Operations & Training, Supply, Maintenance & Production, and Administration)		6,421,331
Other Structures and Facilities		671,183
Utilities and Ground Improvement		243,353
<b>TOTAL</b>		<b>16,441,453</b>

DORMITORY/TEMPORARY QUARTERS	NUMBER OF UNITS	BED CAPACITY
Airman/NCO	4	392
Visiting Officer/Airman Quarters	8	422
Temporary Lodging Facilities	46	144
Compassionate Care Facilities	16	32
<b>TOTAL</b>	<b>74</b>	<b>990</b>

LAND		ACRES
Fee Owned		7,629
Easements		431
Right of Way		83
Leased		2
<b>TOTAL</b>		<b>8,145</b>

RUNWAYS		LINEAR FEET
Area A		7,000
Area C		12,600
Area B (inactive)		7,147
<b>TOTAL</b>		<b>26,747</b>

FACILITIES DATA		NUMBER OF BUILDINGS
Buildings		582
Family Housing		265
<b>TOTAL</b>		<b>847</b>

NOTE: There have been no Accessions or Deaccessions for FY05

# **TABLE 1 - SUMMARY OF PERSONNEL AND GROSS ANNUAL PAYROLL**

## **BY CLASSIFICATION AND HOUSING LOCATION**

(As of: 30 September 2005)

CLASSIFICATION		LIVING ON BASE		LIVING OFF BASE		TOTAL	
		PERSONNEL	PAYROLL \$	PERSONNEL	PAYROLL \$	PERSONNEL	PAYROLL \$
<b>1. APPROPRIATED FUND</b>							
<b>MILITARY</b>							
Active Duty		462	\$19,811,867	4,805	\$308,102,268	5,310	\$329,902,274
AGRs		1	\$113,621	385	\$20,358,786	386	\$20,472,407
Non-Extended Active Duty ANG/Reserve		70	\$88,542	2,141	\$16,079,247	2,211	\$16,167,789
	<b>TOTAL:</b>	<b>533</b>	<b>\$20,014,030</b>	<b>7,331</b>	<b>\$344,540,301</b>	<b>7,907</b>	<b>\$366,542,470</b>
<b>2. ACTIVE DUTY MILITARY</b>		<b>1,149</b>	<b>0</b>	<b>8,532</b>		<b>9,681</b>	
<b>DEPENDENTS</b>							
<b>3. APPROPRIATED FUND CIVILIANS<sup>1</sup></b>							
General Schedule & Grades Similar (GG)						8,056	\$547,147,259
Federal Wage Board						507	\$24,639,026
Other						1,769	\$155,481,392
	<b>TOTAL:</b>					<b>10,332</b>	<b>\$727,267,677</b>
<b>4. NON-APPROPRIATED FUND</b>							
<b>CIVILIANS &amp; PRIVATE BUSINES</b>							
Civilian NAF						916	\$11,679,243
Civilian BX						243	\$4,738,000
Bank One, Credit Union						35	\$1,028,820
Office Runway						7	\$215,347
Contract Civilian (A & AS Support & DAASC) <sup>2</sup>						1058	\$139,657,774
	<b>TOTAL:</b>					<b>2,259</b>	<b>\$157,319,184</b>
				<b>GRAND TOTAL:</b>		<b>20,498</b>	<b>\$1,251,129,331</b>

### **NOTES:**

1. The number of appropriated fund civilians decreased from FY04. Several tenant organizations had significant (20% or more) decreases in FY 05  
A few of these organizations include: Army Corp of Engineers (-25%), CPMS-AWAC (-46%), DAASC-S (-20%), DAPS (-38%), DISA (-83%) and the IRS (-100%).  
As of 4 Oct 04, the IRS was no longer on station
2. This is a new category for FY 05. According to the SAF/FMC guidelines Contractor civilians should be included in our personnel and payroll numbers
3. This is an overall increase of 294 personnel and \$78,279,852 payroll dollars from the FY 04 Economic Impact Analysis Report.

## ***PERSONNEL AND PAYROLL DEMOGRAPHICS*** (Fiscal Year 2005)

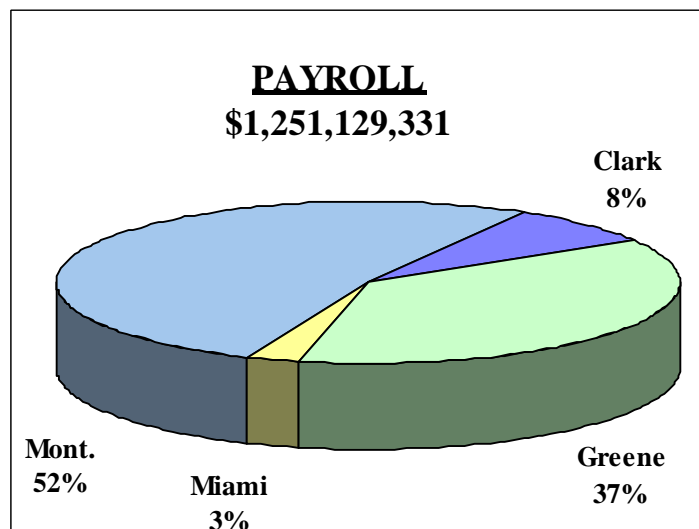
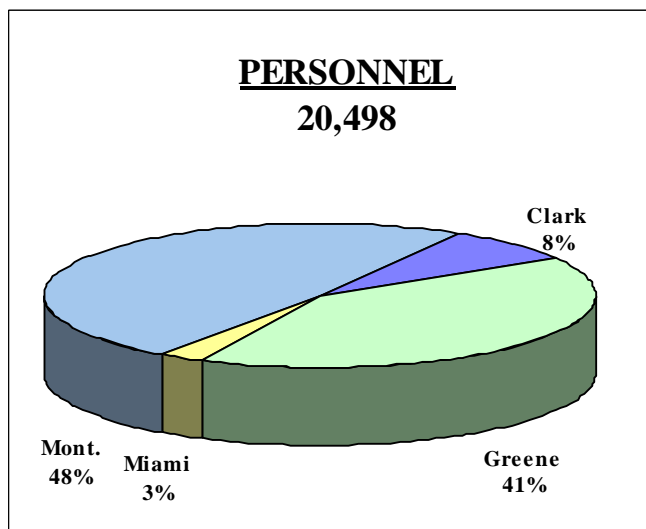
The fiscal year 2005 payroll for Wright-Patterson employees in the local area was over \$3.4 million per day. The Bank One, Credit Union, Office Runway and Contractor personnel are private business employees that were included in the economic impact calculations since they work at Wright-Patterson AFB.

Payroll and personnel totals in the various employee categories are shown below:

	<b><u>PAYROLL</u></b>	<b><u>NUMBER OF PERSONNEL</u></b>
Appropriated Fund Civilians	\$727,267,677	10,332
Appropriated Fund Military	\$366,542,470	7,907
Civilian Non-Appropriated Fund	\$11,679,243	916
Civilian Base Exchange	\$4,738,000	243
Branch Banks/Credit Unions/Contractors,€	\$140,901,941	1,100
<b>TOTAL</b>	<b><u>\$1,251,129,331</u></b>	<b><u>20,498</u></b>

Approximately 92 percent of Wright-Patterson's military and civilian employees live in the Dayton-Springfield OH Metropolitan Statistical Area (MSA) that includes Clark, Greene, Miami and Montgomery counties.

The following pie charts provide a break out of the total personnel and payroll by percentage and county<sup>1</sup>:

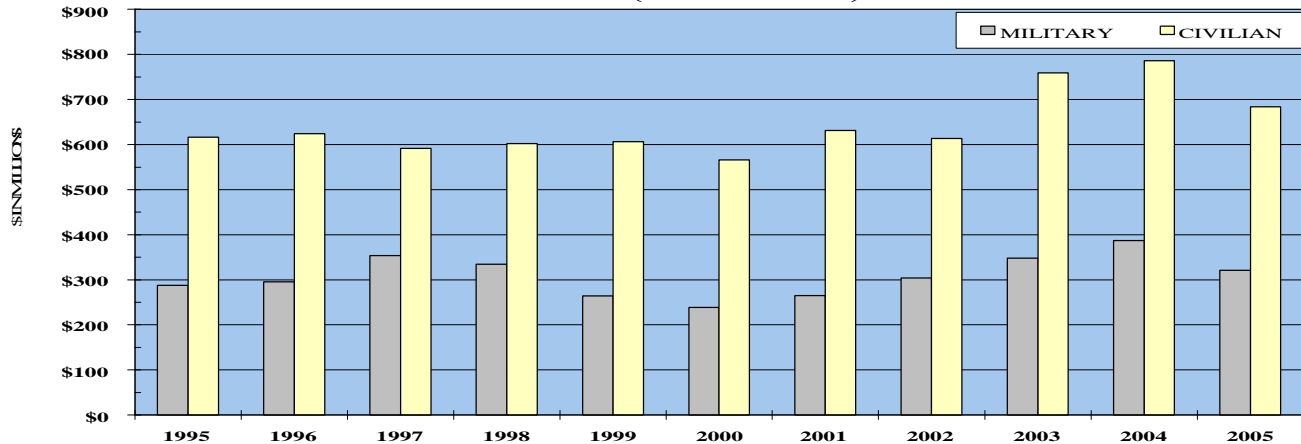


Notes: These percentages are based on the distribution of military and civilian personnel service by Wright Patterson Air Force Base. The assumption is made that the tenant employees are distributed in the same manner. Also, the percentages between Montgomery and Greene varied from FY 04 to FY 05. It was determined that certain zip codes belong to Greene County versus Montgomery county.

# PERSONNEL AND PAYROLL TREND CHARTS

## (Fiscal Year 2005)

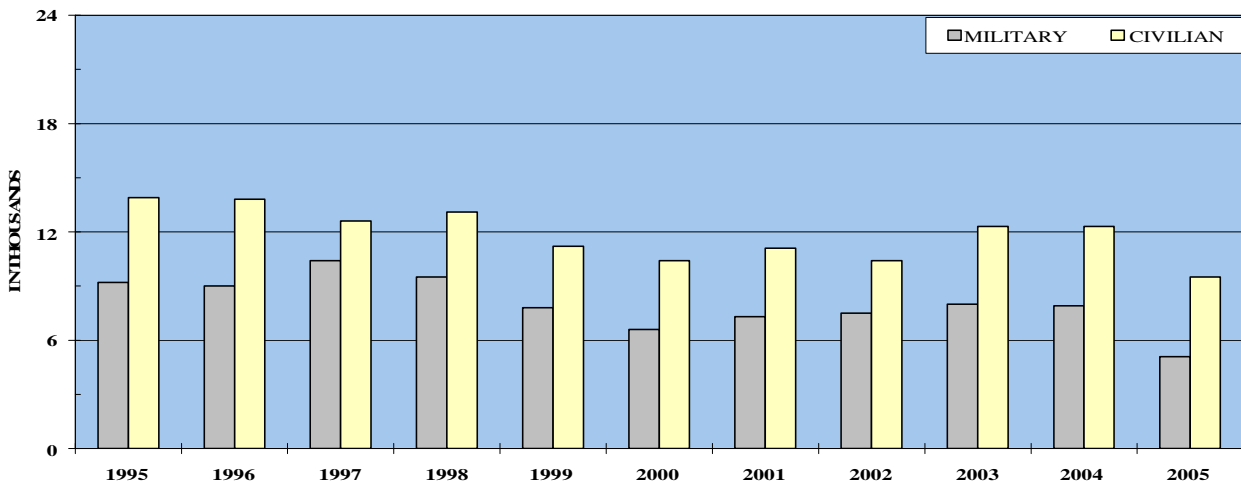
**PAYROLL (FY95-FY05)**



MIL	\$287.7	\$295.2	\$353.8	\$334.4	\$264.5	\$238.6	\$265.1	\$303.8	\$347.7	\$387.1	\$321.0
CIV	\$616.6	\$623.9	\$591.6	\$601.7	\$606.4	\$566.0	\$631.3	\$613.3	\$758.8	\$785.7	\$683.4
TOTAL	\$904.3	\$919.1	\$945.4	\$936.1	\$870.9	\$804.6	\$896.4	\$917.1	\$1,106.5	\$1,172.8	\$1,004.4

FY95 -FY05 data includes personnel who reside in the Dayton-Springfield MSA. The military figures include active duty, air reserve technicians and weekend reserve personnel. The civilian figures include Bank One, Credit Union and Office Runway personnel. FY01 and beyond include civilian 868 intelligence personnel not previously captured. FY03 and beyond include tenant organizations. FY94 and prior used an 18-county economic area, only active duty and excluded Bank One, Credit Union, and Office Runway personnel.

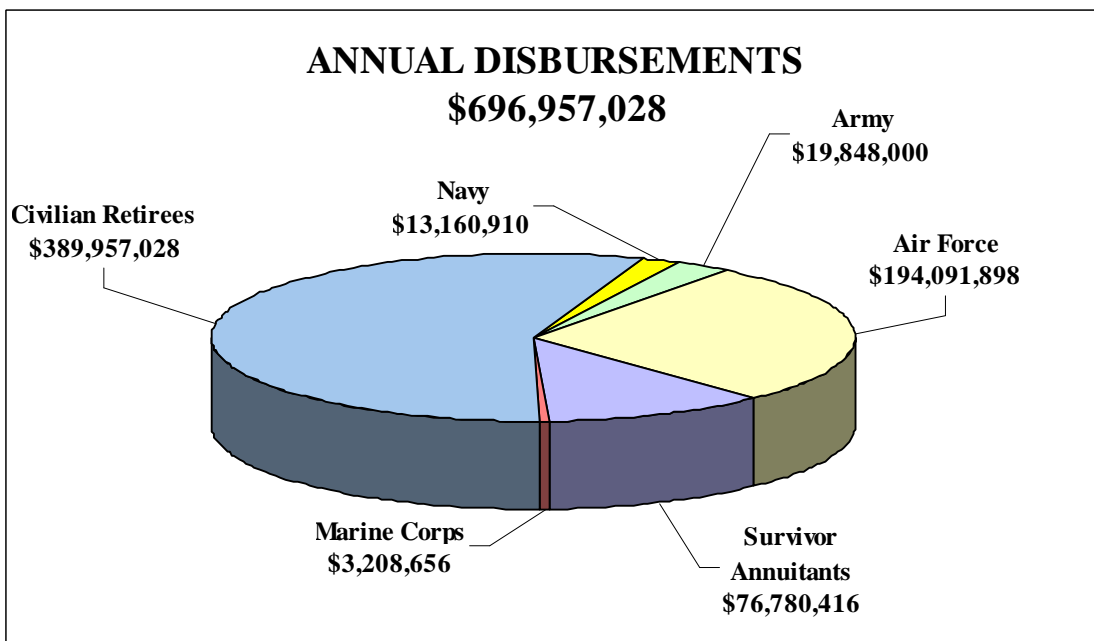
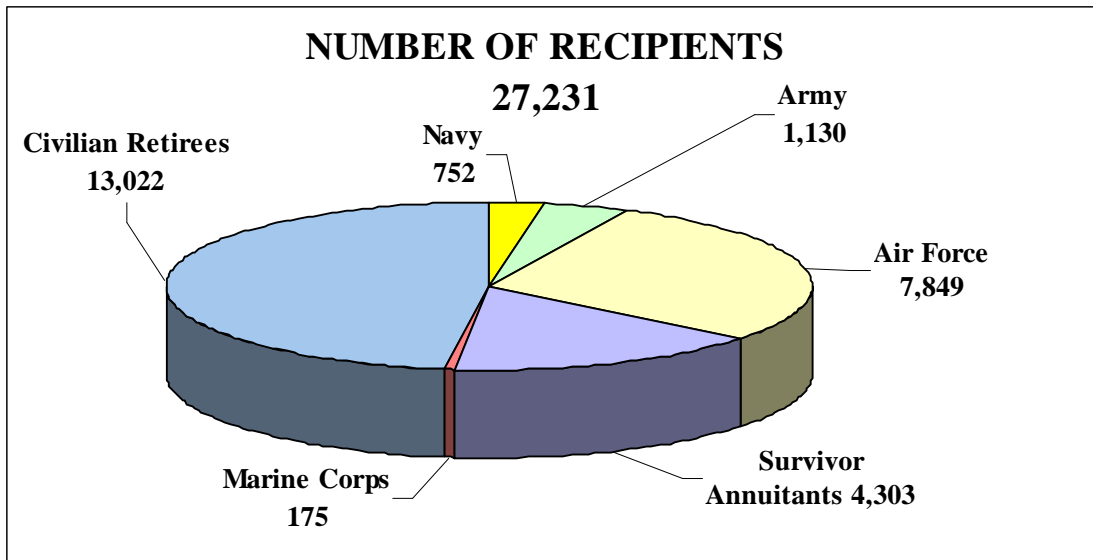
**PERSONNEL ASSIGNED (FY95-FY05)**



	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005
MIL	9.2	9.0	10.4	9.5	7.8	6.6	7.3	7.5	8.0	7.9	5.1
CIV	13.9	13.8	12.6	13.1	11.2	10.4	11.1	10.4	12.3	12.3	9.5
TOTAL	23.1	22.8	23.0	22.6	19.0	17.0	18.4	17.9	20.3	20.2	14.6

Figures rounded to the nearest hundred

# MSA MILITARY AND CIVILIAN RETIREES (Fiscal Year 2005)



## **TABLE 2 - EXPENDITURES FOR CONSTRUCTION, SERVICES, MATERIALS, EQUIPMENT, AND SUPPLIES <sup>1</sup>**

(As of: 30 September 2005)

	ANNUAL EXPENDITURES
<b>1. CONSTRUCTION</b>	
Military Construction Program <sup>2</sup>	\$30,141,844
Non-Appropriated Fund, Military Family Housing, O&M	\$39,180,836
	<hr/> <hr/>
<b>TOTAL:</b>	<b>\$69,322,680</b>
 <b>2. SERVICES</b>	
Services Contracts	\$874,192,812
RDT&E (not elsewhere included)	\$374,372,846
	<hr/> <hr/>
<b>TOTAL:</b>	<b>\$1,248,565,658</b>
 <b>3. MATERIALS, EQUIPMENT, AND SUPPLIES</b>	
Commissary/BX	\$743,599
Health (CHAMPUS, Govt. cost only) <sup>3</sup>	\$31,147,393
Education (Impact aid and tuition assistance) <sup>4</sup>	\$12,424,578
TDY <sup>5</sup>	\$24,108,427
Other Materials, Equipment & Supplies (not elsewhere included)	\$166,826,499
	<hr/> <hr/>
<b>TOTAL:</b>	<b>\$235,250,496</b>
 <b>TOTAL ANNUAL EXPENDITURES<sup>6</sup></b>	 <b>\$1,553,138,834</b>

### NOTES

<sup>1</sup> Includes only contracts in the local economic area or contracts requiring the use of locally supplied goods and services. These figures do not completely represent the annual expenditures for all major tenants located at Wright-Patterson. FMAI is continuing to determine the best approach towards gathering more complete data.

<sup>2</sup> Includes expenditures for 445 AW Appropriation 3730 (AFR)

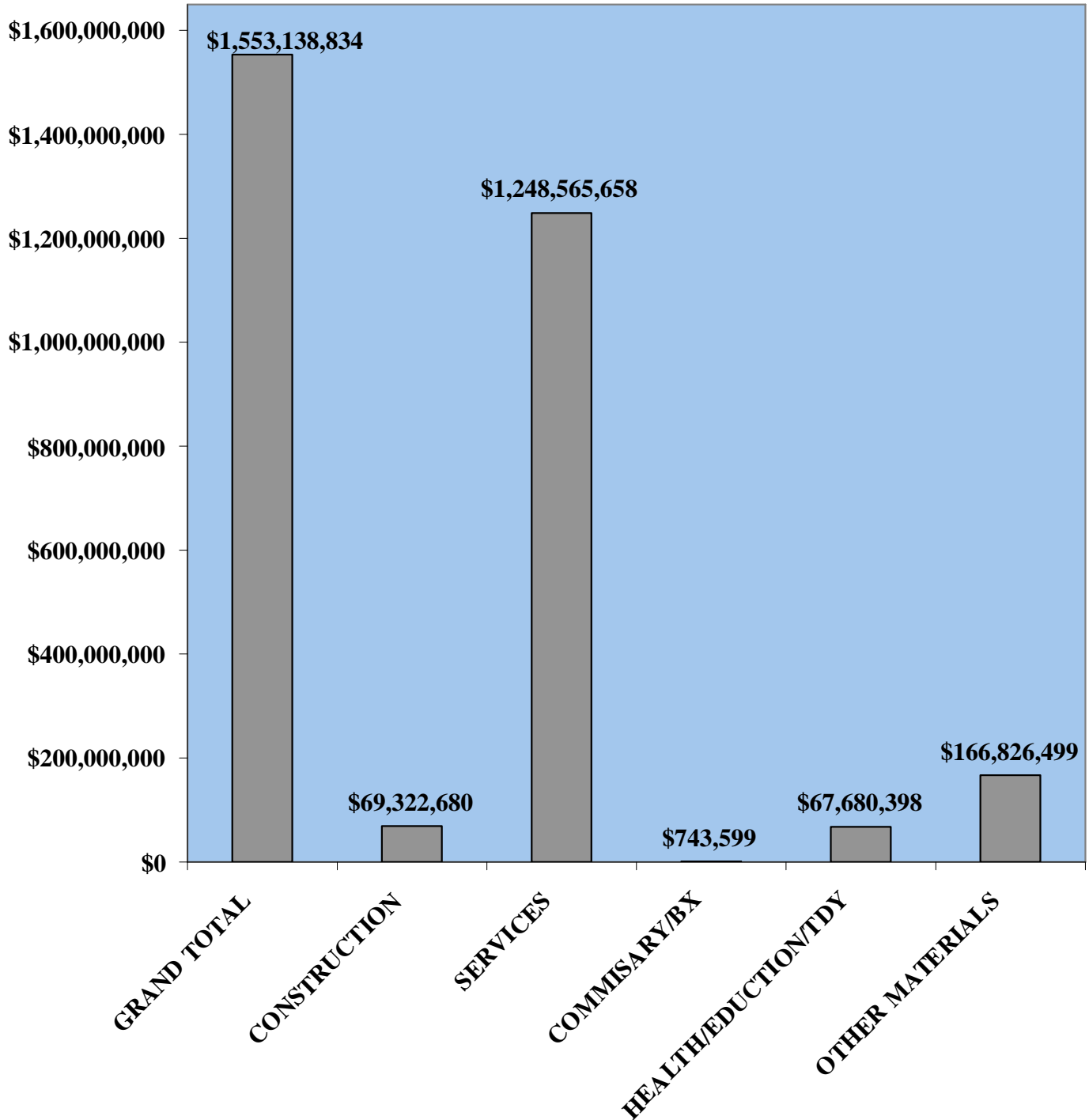
<sup>3</sup> Includes costs for dependents of active duty personnel to use civilian medical care facilities when military facilities are unavailable or when travel to the nearest medical facility places undue hardship on the patient. It also includes the cost of retirees, and dependents of retirees. Historically, both costs have been included in the EIA Increase is due to rising medical costs and deployed staff members.

<sup>4</sup> 75% increase. The civilian tuition program from 88 MSS/DPE was not included in last year's EIA.

<sup>5</sup> Includes expenditures for meals and lodging of military and civilian personnel on temporary duty at WPAFB

<sup>6</sup> The total annual expenditures increased by 88% from FY 04 to FY 05. The overall increase was due to an increase in contracts within the Small Business Administration, 88 CONS/PK AND ASC/PK. Also, we gathered more data from AFRL, 445th AW and the Civilian Tuition Assistance program. Note: The construction category does reflect a 38% decrease from FY 04. MILCON money was only given to the US ARMY Corp of Engineers and the 445th AW provided more detailed EIA information for FY 05

# ANNUAL EXPENDITURE SUMMARY WRIGHT-PATTERSON AFB OH – FY05



Note: Graph built using Table 2 – Expenditures for Construction, Services, Materials, Equipment, and Supplies data. The grand total is the same as total annual expenditures on Table 2.

**TABLE 3 - ESTIMATE OF NUMBER AND DOLLAR VALUE OF  
INDIRECT JOBS CREATED**

<u>TYPE OF PERSONNEL</u>	<u>Number of Base Jobs</u>	<u>Multiplier</u>	<u>Number of Indirect Jobs</u>
Military Active Duty	5,310	0.41	2,177
Trainees and Reservists	2,597	0.16	416
DoD Civilians	10,332	1.57	16,221
Other Civilians	2,259	1.57	3,547
<b>TOTAL:</b>	<b>20,498</b>		<b>22,361</b>

AVERAGE FY05 ANNUAL PAY FOR THE LOCAL COMMUNITY: \$35,774

(2004 BLS Data is Average Ann Pay for Day-Spfd MSA -Inflation Rate 1.03 per SAF/FMC Web Page)

**ESTIMATED ANNUAL DOLLAR VALUE OF JOBS CREATED: <sup>2</sup>** **\$799,941,520**

**Data Sources:**

Multipliers: LMI Economic Impact Database, Installations and Indirect Job Multipliers.

FY04 Average Annual Pay: Bureau of Labor Statistics, U.S. Department of Labor

**TABLE 4 - TOTAL ANNUAL ECONOMIC IMPACT ESTIMATE**

**ANNUAL PAYROLL: <sup>3</sup>** **\$1,251,129,331**

Military	\$366,542,470
Federal Civilian	\$727,267,677
Other Civilian	\$157,319,184

**ANNUAL EXPENDITURES: <sup>4</sup>** **\$1,553,138,834**

**ESTIMATED ANNUAL DOLLAR VALUE OF JOBS CREATED:** **\$799,941,520**

Estimated Indirect Jobs Created	22,361
Average Annual Pay	\$35,774

**GRAND TOTAL: \$3,604,209,685**

**NOTES:**

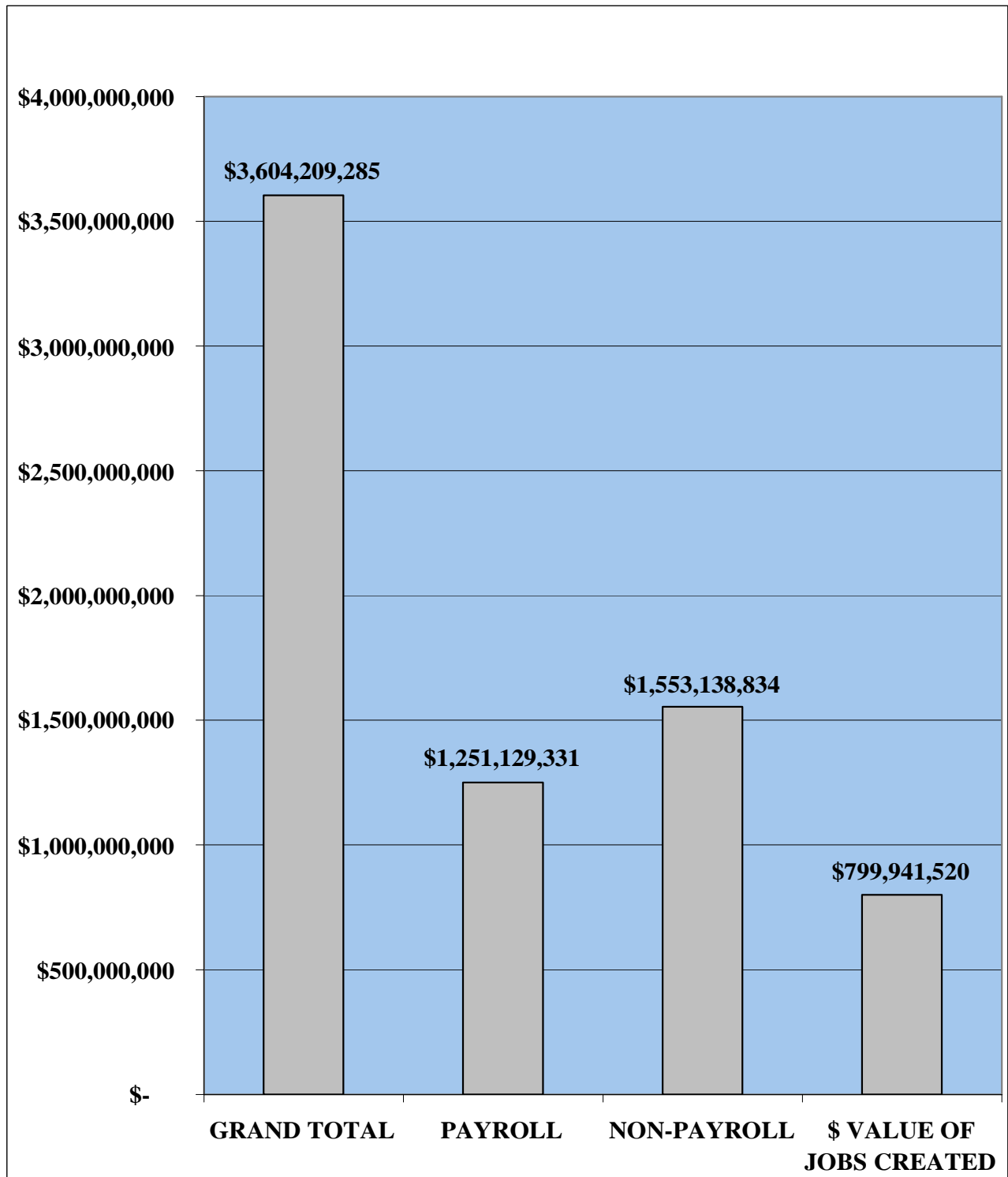
<sup>1</sup> Detailed data for types of personnel contained in Table 1, total amount minus contractor personnel

<sup>2</sup> Estimated annual value of jobs created is derived by multiplying the total number of indirect jobs by the average annual pay for the local community.

<sup>3</sup> Detailed data for annual payroll contained in Table 1

<sup>4</sup> Detailed data on annual expenditures contained in Table 2.

# TOTAL ECONOMIC IMPACT WRIGHT-PATTERSON AFB OH – FY05



Note: Data from Table 4 – Total Annual Economic Impact Estimate. The Payroll is labeled annual payroll and non-payroll is annual expenditures on Table 4.

# **EDUCATIONAL IMPACT AID**

## **(Fiscal Year 2005)**

Five school districts received educational impact aid in FY 2005 due to children of Wright-Patterson employees making up a certain percentage of their student enrollment. These impact aid funds are distributed annually to school districts who meet eligibility criteria of formulae set by Public Law 81-874 enacted in 1951. The program originated as a means of compensating local school districts for losses in tax revenues due to the presence of federal property. Compensation varies by student classification with children of active duty military bringing the most revenues to school districts. To qualify, either the local education agency must be serving eligible federally connected children numbering at least 400 in average daily attendance (ADA) or at least three percent of the total number of children in ADA in the district must be federally connected. The threshold is higher for the children of civilian employees. These children may be counted for eligibility and payment purposes only if the combined ADA of such children is 1,000 or more or that number is minimally 10 percent of total students in ADA within the district. An FY 05 breakout by school district receiving impact aid funds/amount follows.

<b><u>School District</u></b>	<b><u>County</u></b>	<b><u>Federally Connected Students</u></b>	<b><u>Impact Aid Amount</u></b>
<b>Section 8003</b>			
<b><u>Data Summary</u></b>			
Mad River Local	Montgomery	647	\$1,041,392
Fairborn City	Greene	504	\$902,711
Beavercreek Local	Greene	1,280	\$98,091
Huber Heights City	Montgomery	0	\$0
Mad River-Green Local	Clark	202	\$6,985
Dayton City	Montgomery	Not an applicant	
Centerville City	Montgomery	Not an applicant	
Kettering City	Montgomery	Not an applicant	
Springfield City	Clark	Not an applicant	
Xenia City	Greene	Not an applicant	
Tecumseh Local	Clark	Not an applicant	
Miamisburg City	Montgomery	Not an applicant	
Oakwood City	Montgomery	Not an applicant	
West Carrollton	Montgomery	Not an applicant	
Yellow Springs	Clark	Not an applicant	
<b>TOTAL</b>		<b>2,633</b>	<b>\$2,049,179</b>

Note: Change to Public Law 81-874 affected the eligibility of some schools.

### **Section 8002**

#### **Data Summary<sup>1</sup>**

Mad River Local	Montgomery	<b><u>\$101,690</u></b>
<b>GRAND TOTAL ALL EDUCATIONAL IMPACT AID</b>		<b><u>\$2,150,869</u></b>

<sup>1</sup>Educational Aid of \$101,690 received by Mad River Local compensates for lost revenues realized from federal government acquisition of property.

## ***COMBINED FEDERAL CAMPAIGN CONTRIBUTIONS*** **(Fiscal Year 2005)**

Wright-Patterson's record of contributions to the Combined Federal Campaign speaks for itself. Base military and civilian employees have contributed more than \$45 million during the past 20 years.

### **COMBINED FEDERAL CAMPAIGN CONTRIBUTIONS**

